

Iowa Finance Authority Loan Programs

FirstHome Program



FirstHome is a first mortgage financing program targeted to first time homebuyers generally within 100-120% of the area median income. This program is subject to requirements set forth in the Internal Revenue Code – Section 143 for qualified mortgage revenue bond (MRB) program. This program may only be accessed through an [IFA Participating Lender](#).

This term sheet is a summary of program requirements and does not contain all the information needed to originate an IFA mortgage loan. Additional program information, checklists, and forms are available on IFA's website and in our online lender portal, [Lender Online](#).

PARAMETERS	REQUIREMENTS			
Eligible Products	Government Insured <ul style="list-style-type: none">FHA 203(b), 234(c)FHA 203(ks) "Streamline"USDA-RHS (RD)VA		Conventional <ul style="list-style-type: none">Fannie Mae - HFA Preferred® only<ul style="list-style-type: none">No Standard Conventional	
	Current Interest Rate*	Non-PLUS	PLUS	Non-PLUS
	3.375%	3.875%	3.875%	4.375%
	*Rates are subject to change at any time. The rates above are current as of 2/22/2015 10:48:40 PM			
Homebuyer Eligibility	<ul style="list-style-type: none">First Time Homebuyers: Defined as someone who has not had ownership interest in their primary residence for the last 3 years.Homebuyers purchasing in a targeted areaMilitary veterans who have not previously used a tax exempt bond program			
Eligible Use	Purchase only, no refinances			
Eligible Occupancy	Owner-occupied, primary residency			
Credit Score	640 minimum (no co-signors permitted)			
Debt-to-Income Ratio (DTI)	45% maximum			
Amortization	25- or 30-year terms			
Secondary Market Fee	Not permitted		0.250% of loan amount (One-time fee)	
Lender Fees	Up to 1% origination fee No discount points, processing, commitment fees may charged Underwriting fee – limited to DU/DO or LP fee.			
Other Fees	Tax Service Fee - \$59 Funding Fee - \$0			
Income Limits	All Household Sizes			
	\$65,300			
Acquisition Cost Limit	Targeted Areas		Non-Targeted Areas	
	\$305,000		\$250,000	
Down Payment and Closing Costs Assistance	<ul style="list-style-type: none">Up to \$2,500 Homes for Iowans Plus in form of grant, no second lien May also be used in conjunction with <ul style="list-style-type: none">\$5,000 Military Homeownership Assistance Program grant, no second lienEligible Community Seconds®			
Eligible Property Types	<ul style="list-style-type: none">1-unit Single Family propertyCondos and TownhomesManufactured housing must be affixed to permanent foundation and taxed as real estate – restricted to government insured loans only (FHA, VA, RD)			
	*Refer to agency guidelines (FHA, VA, RD, Fannie Mae) based on the loan type for condo, PUD and manufactured housing requirements.			
Home Buyer Education	Pursuant to agency guidelines for the loan type (FHA, VA, RD, Fannie Mae)			